



IRS Lock-In Letters and IT0161

The Personnel Cabinet has been forwarding IRS "Lock-in" letters to agencies since KHRIS go-live. These letters are from the IRS, addressed to the Commonwealth of Kentucky c/o State Treasurer, and open with:

Dear Commonwealth of Kentucky:

WHY ARE WE WRITING TO YOU?

Our records indicate that your employee, named above, may not be entitled to claim exempt status or more than a specified number of withholding allowances on Form W-4, Employee's Withholding Allowance Certificate. In most instances, we reviewed Forms w-2, Wage and Tax Statement...

When a lock-in letter is received by the Personnel Cabinet, the payroll branch consultant sets up the lock-in on IT0161 in accordance with the dates and instructions contained in the letter from the IRS. The consultant forwards the documents to the agency Human Resource Administrator, who should maintain the documents for the agency's records and provide the employee with the portions of the letter which he or she is to receive. In the event any change is made to the terms of the lock-in letter by the IRS, the consultant will update the record accordingly after receiving written instruction from the IRS lifting or changing the lock-in letter.